

BEFORE THE ARIZONA CORPORATION COMMISSION

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2	JIM IRVIN
3	Commissioner - Chairman RENZ D. JENNINGS
4	Commissioner CARL J. KUNASEK
ĺ	Commissioner
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6	IN THE MATTER OF U.S. WEST) DOCKET NO. T-01051B-98-0306 COMMUNICATIONS, INC TARIFF)
7	FILING TO ADJUST THE RATE FOR DECISION NO. 6/639
8	DIRECT INWARD DIAL NUMBERS) Arizona Corporation Genomession ORDER DOCKETED
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	August 4 and 5, 1998 AUG 6 1998
	Phoenix, Arizona DOCKETED BY
	BY THE COMMISSION:
12	FINDINGS OF FACT
13	1. U S WEST Communications, Inc. (U S WEST) is certified to provide telephone
A Second	service as a public service corporation in the State of Arizona.
15	2. On June 12, 1998, U.S. WEST filed tariff revisions to adjust the rate Commercial
16	Mobile Radio Service (CMRS) providers pay for their Direct Inward Dial (DID) telephone
17	numbers:
18	Exchange and Network Services Tariff
9	Section 20. Page 18, Release 3
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21	3. In Decision No. 60978, dated June 30, 1998, the Commission suspended the filing
22	for a period of sixty (60) days to allow Staff time to complete its review of the proposal.
• 3	4. DID is a service that provides for the direct completion of incoming calls to end
4	users served by the CMRS provider's equipment, each end user is assigned an individual
25	telephone number. CMRS includes cellular and paging services.
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- DID telephone numbers are currently available to CMRS providers in blocks of Š, 20 sequential numbers or 100 sequential numbers. Both monthly and non-recurring charges are currently assessed to the CMRS provider for each DID number block option chosen to. U.S.WEST's proposal eliminates the existing monthly charge for each number block option and adjusts the non-recurring installation charge to reflect the actual cost of providing the service. According to U.S. WEST, the Federal Communication Commission (FCC) in Order 96-333 (the FCC Order) directs it to make the proposed adjustments to its intrastate rates. Paragraph 333 in the FCC Order states, "...telephone companies may not impose recurring charges solely for the use of numbers." Staff believes that U.S. WEST's proposal to eliminate the monthly charge for each number block option complies with Paragraph 333. The proposed rate adjustments would be retroactive back to October 7, 1996, the effective date of the FCC's order. U.S. WEST's has estimated the proposed rate adjustments will reduce intrastate revenues by \$1.2 million a year.
- U-S WEST's proposal also increases the non-recurring charge for a 20 number block from, \$20,00 to \$30,84 and reduces the charge for a 100 number block from \$100,00 to \$19.44. The proposal also introduces a non-sequential number option that allows the CMRS provider to order individual numbers instead of only blocks of 20 or 100 sequential numbers. U.S.WEST's proposed non-recurring charge for each non-sequential number is \$3.84.
- Staff believes that efficient utilization of telephone numbers can delay number exhaust and the need to introduce new area codes in the future. Staff believes that this filing will increase the amount of numbers utilized by CMRS providers and will result in a less efficient utilization of these numbers. Staff does not know if this increased demand for telephone numbers will have any significant impact on the impending 602 number exhaust or the exhaust of future area codes (currently, CMRS providers use approximately five percent of the numbers available for assignment in the 602). U.S. WEST has not conducted any studies to determine what effect this filing will have on number utilization by CMRS providers.

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8. Staff has recommended approval of the filing on an interim basis for a period of six (6) months. Interim approval will enable ongoing evaluation of the impact of this filing on number utilization by CMRS providers. Staff further recommends that U S WEST be required to submit monthly reports to assist in this evaluation. The reports should provide monthly data on the number of 20 number blocks and 100 number blocks utilized by CMRS providers during the interim approval period (this data will be compared with number utilization data prior to the implementation of this filing). If at any time Staff finds, based upon the data filed by U S WEST, that the interim rates result in a significant increase in number utilization by CMRS providers, Staff will recommend that the Commission take appropriate action, including suspension or termination of the interim rates. Staff further recommends that the filing be granted permanent approval after the interim approval period unless otherwise acted upon by the Commission

CONCLUSIONS OF LAW

- 1 U.S.WEST is an Arizona public service corporation within the meaning of Article XV. Section 2, of the Arizona Constitution.
- 2 The Commission has jurisdiction over U S WEST and over the subject matter of the Application.
- 3 Approval of the tariff filing does not constitute a rate increase as contemplated by A. R. S. Section 40-250.
- The Commission, having reviewed the tariff pages (copies of which are contained in the Commission tariff files) and Staff's Memorandum dated July 29, 1998, concludes that it is in the public interest to approve the filing on an interim basis for a period of six (6) months.

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ORDER

THEREFORE, IT IS ORDERED that the tariff filing be and hereby is approved on an interim basis for a period of six (6) months.

IT IS FURTHER ORDERED that U.S. WEST be required to provide Staff with monthly report as described in Findings of Fact No. 8.

IT IS FURTHER ORDERED that the filing be granted permanent approval after the interim approval period unless otherwise acted upon by the Commission.

IT IS FUR THER ORDERED that this Order shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

COMMISSIONER

IN WITNESS WHEREOF, I. JACK ROSE, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of

Phoenix, this 6H day of Acres 1998.

ACK ROSE

Executive Secretary

RTW:DS digsCCK

DISSENT

MMISSIONER - CHAIRMAN

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